



PROCEDURE FOR RELATED PARTY AND CONNECTED PARTY TRANSACTIONS

Adopted pursuant to Article 2391-bis of the Italian Civil Code and Consob's Regulation No. 17221 of 12 March 2010 concerning "Regulations Containing Provisions Relating to Transactions with Related Parties", as well as BANK OF ITALY's Circular No. 285 of 17 December 2013 concerning "Provisions for the Supervision of Banks"

Approved by the Board of Directors of Banca Generali S.p.A. on 22 June 2021

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Foreword

Banca Generali S.p.A. (“**Banca Generali**”, the “**Bank**” or the “**Company**”) has adopted this procedure (the “**Procedure**”) to ensure the transparency, substantial propriety, objectivity and impartiality of transactions with related parties and connected parties undertaken directly or through subsidiaries or associates, as well as compliance with the prudential limits on risk assets acquired by the Bank in respect of connected parties.

The Procedure — initially adopted on 27 October 2010 in accordance with the Regulation approved by Consob through Resolution No. 17221 of 12 March 2010, as amended and supplemented (the “**RPT Regulation**”), and the supervisory regulations in force at the time, as issued by the Bank of Italy, governing risk assets and conflicts of interest of banks and banking groups in relation to connected parties — was most recently updated by resolution of Banca Generali's Board of Directors (the “**Board of Directors**”) on 22 June 2021, following a favourable opinion from Banca Generali's Board of Statutory Auditors (the “**Board of Statutory Auditors**”) and the Committee (as defined hereunder), in order to adapt its provisions to, *inter alia*, (i) the amendments made to the RPT Regulation by Consob Resolution No. 21624 of 10 December 2020, transposing, at the level of secondary legislation, the contents of Directive (EU) 2017/828 (“*Shareholders’ Right Directive II*”) amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement and (ii) the provisions of Part III, Chapter 11, of Bank of Italy Circular No. 285 of 17 December 2013, 33rd update (“**Circular No. 285**”), which resulted in the repeal of Chapter 5, Title V, of Bank of Italy Circular No. 263 of 27 December 2006.

For the purposes of the application of this Procedure, the Bank takes into account, to the extent applicable, the principles and indications set out in Consob Communication No. DEM/10078683, published on 24 September 2010, containing “*Indications and guidelines for the application of the Regulation on transactions with related parties adopted by Resolution No. 17221 of 12 March 2010, as amended*” (the “**Application Communication**”).

This Procedure has also been approved and updated in accordance with the recommendations on the independence of directors set out in the Corporate Governance Code of Borsa Italiana S.p.A. adopted by the Corporate Governance Committee in January 2020 (the “**Corporate Governance Code**”) and the independence requirements laid down in Article 13 of Ministerial Decree No. 169 of 23 November 2020 on the requirements and criteria for the fitness of company officers of banks. This Procedure also reflects the provisions laid down with regard to the obligations of officers of banks in Article 136 of Legislative Decree No. 385 of 1 September 1993, as amended and supplemented (“**TUB**”).

The Procedure is therefore intended to implement the aforementioned provisions by adopting, for all Banca Generali Group entities, rules on transactions with related parties and connected parties governing preliminary procedures and decision-making powers, as well as disclosure and reporting obligations. This Procedure is also circulated as

instructions from the Bank to its subsidiaries pursuant to Article 114, paragraph 2, of TUF and Circular No. 285.

With reference to the purposes and intentions of the regulatory requirements, the Consob Regulation bases its provisions upon the implementation — in terms of transparency and substantive and procedural propriety — of the entire process of managing transactions with related parties, whereas the Bank of Italy proposes a regulatory framework geared towards preventing the conflicts of interest that may arise when transactions are concluded with connected parties. The Provisions of Circular No. 285 are also aimed at ensuring an efficient management of the risk that the closeness of certain persons to the Bank's decision-making centres could compromise the objectivity and impartiality of decisions pertaining to the approval of loans and other transactions involving the said persons, and potentially give rise to distortions in the resource-allocation process, expose the Bank to risks that are not adequately measured or contained, and/or result in harm and losses to depositors and shareholders. Consequently, their purpose lies within the realm of sound and prudent management of banking enterprises. This Procedure is available for consultation at Banca Generali's corporate website at www.bancagenerali.com, in the *Corporate Governance* section.

1. DEFINITIONS

For the purposes of this Procedure, in addition to the terms defined in the Foreword, capitalised terms and expressions have the meanings attributed to them here below.

“Directors”: the members of the Board of Directors.

“Shareholders’ Meeting”: the General Shareholders’ Meeting of Banca Generali.

“Risk Assets”: net exposures, as defined for the purposes of rules governing large exposures (Regulation (EU) No. 575/2013).

“Involved in the Transaction”: pursuant to Article 1, paragraph 1 (*i-bis*), of the RPT Regulation, Directors who have an interest in the transaction, be it their own or that of third parties, in conflict with that of Banca Generali.

“Committee”: the Company’s Internal Audit and Risk Committee set up within the Board of Directors and vested with consultative and recommendatory functions in respect of internal controls and risk management, made up of 4 (four) Non-Executive and Independent Directors, and also placed in charge of tasks and functions regarding Related Party and Connected Party Transactions in accordance with this Procedure.

“Communication on Exempt Transactions”: see Article 3.1(vii).

“Communication on Regular Transactions”: see Article 3.1(viii).

“Market or Standard Equivalent Terms”: pursuant to Article 1, paragraph 1 (*e*), of the RPT Regulation, terms similar to those usually charged to parties other than Related Parties or Connected Parties for transactions of a corresponding nature, extent and risk, or based on regulated rates or at fixed prices or those charged to persons with whom the Company is obligated by law to contract at a certain price.

“Control”: the definition laid down by IFRS 10 – *Consolidated Financial Statements*, paragraph 6 (adopted pursuant to the procedure described in Article 6 of Regulation (EC) No. 1606/2002), in line with the Provisions issued by Consob and the Bank of Italy. The notion of “Control” also includes the situations laid down by Article 23 of TUB, including cases of control in the form of a dominant influence. The use in this Procedure of the verb “to control” or the terms “parent company” or “subsidiary”, in any form and number, must be interpreted accordingly, unless otherwise indicated.

“Joint Control”: the definition laid down by IFRS 11 – *Joint Arrangements*, paragraph 7 (adopted pursuant to the procedure described in Article 6 of Regulation (EC) No. 1606/2002), in line with the Provisions issued by Consob and the Bank of Italy. Pursuant to the provisions of Circular No. 285, the definition of parties that exercise joint control also includes other parties able to influence the management of the enterprise on the basis of the equity investments they hold, arrangements entered into in any form or statutory clauses governing or resulting in the ability to exercise control.

“Cumulation of Transactions”: all the Transactions conducted in the year of reference with the same Related or Connected Party, or parties related to both the said Related or Connected Party and the Company, that are homogeneous or made under a unified design which, while not qualifying as individual Transactions of Greater Importance, exceed, when considered cumulatively, the thresholds of significance provided for Transactions of Greater Importance.

“Proposing Function”: see Article 4.1.1.

“Manager in Charge of Financial Reports”: Manager in charge of the Company’s financial reports pursuant to Article 154-*bis* of TUF.

“Managers with Strategic Responsibilities”: persons having authority and direct or indirect responsibility for planning, managing and controlling the activities of the Company.

“Bank of Italy’s Provisions”: collectively, Circular No. 285 and the provisions cited therein, as well as Title II, Chapter 3, of Circular No. 229 of 21 April 1999 on obligations of company officers.

“Consob’s Provisions”: collectively, the RPT Regulation and the Application Communication.

“Preliminary Documentation”: see Article 6.1.2.

“Information Document”: see Article 16.1.1.

“List of Regular Transactions”: see Article 3.1(v)(c).

“List of Related Party and Connected Party Transactions”: see Article 3.1(i).

“List of Related Party and Connected Parties”: see Article 3.1(v).

“Corporate Officers”: pursuant to Part III, Chapter 11, Section I, paragraph 3, of Circular No. 285, the definition includes Directors, Statutory Auditors, the General Manager and persons who hold positions or carry out functions within the Bank equivalent to those of the General Manager (Joint General Managers).

“Relevant Function”: the organisational unit identified by Banca Generali in charge of carrying out the tasks and functions illustrated in this Procedure and set forth in internal rules and regulations.

“Independent”: Directors satisfying the independence requirements provided for in Article 148, paragraph 3, of TUF, as mentioned in Article 147-*ter*, paragraph 4, of TUF, Recommendation No. 7 of the Corporate Governance Code, as well as the implementing regulations of Article 26 of TUB.

“Significant Influence”: the definition laid down in IAS 28 – *Investments in Associates and Joint Ventures*, paragraphs 5 and 6 (adopted pursuant to the procedure described in Article 6 of Regulation (EC) No. 1606/2002), in line with the Provisions issued by Consob and the Bank of Italy¹. The circumstances laid down in Circular No. 285 are also relevant for the purposes of establishing a significant influence².

“Significant Interests”: exist when other Related Parties or Connected Parties hold interests in Subsidiaries or Associates that are counterparties in a Transaction that mean that it is advisable for the said other Related Parties or Connected Parties to transfer resources from one company to another by means of the said Transaction. A Significant Interest is generally said to arise when an entity that controls or otherwise exercises a Dominant Influence over the Bank, at the same time, holds, in a Subsidiary or Associate which is the counterparty to the Transaction, an equity investment that, considered together with the stake it owns in the Bank, would result in advantages to the entity in question, in the event the transfer of resources contemplated under the Transaction were to take place. The mere fact that the Company and the Subsidiaries share one or more Directors or Managers with Strategic Responsibilities is not sufficient to imply the existence of a Significant Interest. On the other hand, a Significant Interest does arise in the event where the Bank and the Subsidiary or Associate with which the Transaction is effected share one or more Directors or Managers with Strategic Responsibilities who benefit from incentive plans based on financial instruments (or other forms of variable remuneration), the value of which directly depends, to a significant extent, on the performance of the Subsidiary or Associate in question.

¹ It should also be noted that pursuant to IAS 28 a significant influence is presumed to exist where a direct or indirect equity investment of 20% or more is held, whereas pursuant to Circular No. 285 the significance threshold is 10% of share capital when the company’s shares are listed on a regulated market. The significance threshold established in Circular No. 285 (i.e., in the case of Banca Generali, 10% of share capital) is applied for the purposes of this Procedure.

² Pursuant to Circular No. 285, “significant influence” is the power to participate in shaping and informing the financial and operating policies of an investee company, without having control thereof. Significant influence is presumed in cases of possession of a direct or indirect equity investment equal to or greater than 20% of capital or voting rights in the ordinary general meeting or other equivalent body of the investee, or equal to or greater than 10% in cases of companies with shares listed on regulated markets. In cases of possession of equity investments below the above thresholds, specific inquiries must be conducted in order to determine whether significant influence exists, referring, at least, to the following indicators and taking account of all other relevant circumstances: (i) representation within the body of the investee charged with the management function or with the strategic supervision function; the mere fact of selecting the component representing the minority pursuant to the rules governing issuers of shares listed on regulated markets does not, in and of itself, constitute an indicator of significant influence; (ii) participation in an enterprise’s decisions of a strategic nature, particularly to the extent decisive voting rights are held in the decisions of the general meeting relating to financial reporting, the allocation of profits and the distribution of reserves, without qualifying as a situation of joint control; (iii) the existence of significant transactions — understood to be “Transactions of Greater Importance” (as defined in Part III, Chapter 11, Section I, of Circular No. 285), the exchange of management personnel or the provision of essential technical information.

“Unrelated”: Directors other than the counterparty in a specific Transaction and any and all such counterparty’s Related Parties and Connected Parties who do not hold interest in the Transaction pursuant to Article 2391 of the Italian Civil Code.

“Non-Executive”: the Directors acknowledged by Banca Generali as serving in a non-executive capacity within the meaning of the Corporate Governance Code.

“MAR”: Regulation (EU) No. 596/2014 (Market Abuse Regulation).

“231 Model”: organisational and management model for the prevention of the offences envisaged in Legislative Decree No. 231 of 8 June 2001, as further amended and extended, adopted by the Board of Directors.

“Transaction”: any transaction concluded by Banca Generali, including through a Subsidiary or Associate, that entails the acquisition of a Risk Asset, the transfer or resources, services or obligations, regardless of whether consideration has been agreed, including mergers, de-mergers by absorption or non-proportional de-mergers proper, in addition to all other decisions regarding the assignment of remuneration or economic benefits, in any form, to Corporate Officers or Managers with Strategic Responsibilities.

“Transactions of Small Amount”: pursuant to Part III, Chapter 11, Section III, paragraph 3.7.1, of Circular No. 285, and taking into account the provisions of Article 4, paragraph 1 (a), of the RPT Regulation, the Transactions whose value is equal or lower than:

- (i) if the Bank’s consolidated own funds are less than 500,000,000.00 euros:
 - (a) 250,000.00 euros where the counterparty to the Transaction is a Corporate Officer;
 - (b) 250,000.00 euros where the counterparty to the Transaction is a Related Party and/or a Connected Party other than a Corporate Officer;
- (ii) if the Bank’s consolidated own funds exceed 500,000,000.00 euros:
 - (a) 250,000.00 euros where the counterparty to the Transaction is a Corporate Officer;
 - (b) the lesser of 1,000,000.00 euros and 0.05% of own funds where the counterparty to the Transaction is a Related Party and/or a Connected Party other than a Corporate Officer.

“Transactions of Greater Importance” pursuant to Annex 3 to the RPT Regulation, and Part III, Chapter 11, Section I, Annex B, to Circular No. 285, Transactions in which at least one of the following significance indicators, applicable according to the specific transaction, exceeds the threshold of 5% (it being understood that the threshold of 2.5% applies where the Transaction is undertaken with Assicurazioni Generali S.p.A. or with parties related to the latter that are in turn related to the Company):

- (i) *Equivalent-value relevance ratio*: the ratio between the equivalent transaction and the own funds drawn from the latest consolidated balance sheet published by Banca Generali.

Should the economic conditions of the transaction be determined, the equivalent operation shall be:

- (c) for the cash component, the amount paid to or from the contract;
- (d) for the component in financial instruments, the fair value determined at the date of the Transaction, in accordance with international accounting standards adopted by Regulation (EC) No. 1606/2002;
- (e) for funding Transactions or granting guarantees, the maximum amount payable.

If the economic conditions of the Transaction depends, in whole or in part, of magnitudes not yet known, the equivalent Transaction is the maximum receivable or payable value under the agreement³;

- (iii) *Asset relevance ratio*:: the ratio between the total assets of the entity in the Transaction and the total assets of the Company⁴. Data to be used shall be obtained from the most recently consolidated balance sheet published by Banca Generali; whenever possible, similar data should be used for determining the total assets of the entity involved in the Transaction. For Transactions involving the acquisition and sale of shares in companies that have an impact on the area of consolidation, the value of the numerator is the total assets of the investee, regardless of the percentage of capital being available.

For Transactions of acquisition and divestment of equity investments in companies that have no effect on the consolidation perimeter, the value of the numerator is:

- (a) in the case of acquisitions, the counter operation plus the liabilities of the company acquired eventually assumed by the purchaser; or

³ It should be noted that the equivalent transaction of multi-year services for which compensation takes the form of fees or commissions is represented by their present value.

⁴ Assets must always include “off-balance sheet” items.

- (b) in case of divestments, the consideration of the divested business.

For Transactions of acquisition and disposal of other assets (other than the purchase of a stake), the value of the numerator is:

- (a) in case of acquisitions, the greater of the consideration and the carrying amount that will be attributed to the asset;
- (c) in case of disposals, the book value of the assets;
- (iv) *Liabilities relevance ratio*: the ratio between the total liabilities of the entity acquired in the transaction and the total assets of the Company. Data to be used must be derived from the most recent consolidated balance sheet published by the Company; whenever possible, similar data should be used for determining the total liabilities of the company or company branch acquired.

“Transactions of Lesser Importance”: pursuant to Article 1, paragraph 1 (c), of the RPT Regulation, as well as to Part III, Chapter 11, Section I, paragraph 3, of Circular No. 285, Transactions other than Transactions of Greater Importance and Transactions of Small Amount.

“Regular Transactions”: see Article 12.1.2(i).

“Supervisory Board”: the body appointed by the Board of Directors pursuant to Legislative Decree No. 231 of 8 June 2001 to monitor the extent to which the 231 Model is implemented and complied with.

“Opinion”: the opinion to be issued by the Committee pursuant to and for the intents and purposes of Article 7.2 and Article 8.2, respectively.

“Related Party”: a Consob Related Party and a Bank of Italy Related Party.

“Bank of Italy Related Party”: pursuant to Part III, Chapter 11, Section I, paragraph 3, of Circular No. 285, the following parties: (i) the Corporate Officer; (ii) the Investor; (iii) the party, other than the Investor, with the power to designate, on an autonomous basis, one or more members of the management or strategic supervisory body, including by virtue of arrangements entered into in any form or clauses of Articles of Association governing or resulting in the exercise of such rights or powers; (iv) a company or an enterprise, including non-corporate entities, over which the Bank or a Banking Group company may exercise control or significant influence.

“Consob Related Party”: pursuant to the RPT Regulation, a person or entity that is related to the Company.

- (i) A person or close member of that person’s family is related to the Company if that person:
- (a) has Control or Joint Control over the Company;

- (b) has Significant Influence over the Company; or
- (c) is a member of the Managers with Strategic Responsibilities of the Company or of a parent of the Company.
- (v) An entity is related to the Company if any of the following conditions applies:
 - (a) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (b) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (c) both entities are a joint venture of the same third party;
 - (d) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (e) the entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
 - (f) the entity is controlled or jointly controlled by a person identified in point (i) above;
 - (g) a person identified in (i)(a) above has significant influence over the entity or is a Manager with Strategic Responsibilities of the entity (or of a parent of the entity).

In the definition of Consob Related Party, an Associate includes the subsidiaries of the Associate and a joint venture includes the subsidiaries of the joint venture⁵.

“Non-Financial Related Party”: pursuant to Part III, Chapter 11, Section I, paragraph 3, of Circular No. 285, a Bank of Italy Related Party that, directly or through subsidiaries, primarily engages in a non-financial business activity, as defined in the context of the rules governing the equity investments that may be held by banks or banking groups. A party is considered a Non-Financial Related Party if activities other than banking, financial and insurance assets exceed 50% of total assets⁶. The notion also includes

⁵ Therefore, for example, a subsidiary of an Associate and the investor that has significant influence over the Associate are related to each other.

⁶Reference is to be made to:

- the sum of total assets and guarantees given and commitments, for banks and finance companies;
- the value of premiums collected, multiplied by a corrective factor of 10, for insurance companies;

Investors and one of the Related Parties set forth in points (iii) and (iv) of the definition of Bank of Italy Related Party that is a holding company qualifying as a non-financial enterprise pursuant to the above rules governing eligible equity investments.

“**Investor**”: the party required to apply for the authorisations set forth in Articles 19 *et seq.* of TUB.

“**Key Personnel**”: personnel identified as per the Banking Group’s remuneration and incentive policy adopted by the Company, pursuant to the provisions on remuneration and incentive policies within banks and banking groups contained in Part I, Title IV, Chapter 2, Section I, paragraph 6, of Circular No. 285.

“**Rules for Issuers**”: the Consob Regulation No. 11971 of 14 May 1999, as subsequently amended and extended.

“**Risk Appetite Framework**”: pursuant to Part I, Title IV, Chapter 3, of Circular No. 285, the framework of reference, which defines, among other matters — in a manner consistent with the maximum assumable risk, business model and strategic plan of the Bank — the risk appetite, tolerance thresholds and risk limits of the Bank.

“**Unrelated Shareholders**”: pursuant to Article 3, paragraph 1 (*l*), of the RPT Regulation, persons and parties holding voting rights, but that are neither a counterparty to a given Transaction, nor related to any such counterparty’s Related Parties, Connected Parties or to any of the Bank’s Related Parties or Connected Parties.

“**Associate**”: any entity, including an unincorporated entity such as a partnership, over which a shareholder has Significant Influence, but not Control or Joint Control.

“**Subsidiary**”: any entity, including an unincorporated entity such as a partnership, that is controlled by another entity.

“**Connected Parties**”: pursuant to Part III, Chapter 11, Section I, paragraph 3, of Circular No. 285, a Bank of Italy Related Party and all its Connected Entities.

“**Connected Entities**”: pursuant to Part III, Chapter 11, Section I, paragraph 3, of Circular No. 285, (a) companies and enterprises, including those in non-corporate form, controlled by a Bank of Italy Related Party; (b) parties that control a Bank of Italy Related Party of the type identified in points (ii) and (iii) of the associated definition, or parties directly or indirectly subject to joint control with such a Bank of Italy Related Party; and (c) the Close Relatives of a Bank of Italy Related Party and the companies or enterprises controlled by such persons.

– total turnover, multiplied by a corrective factor of 10, for industrial companies.

The figures to be considered are to be drawn from the last financial year, or, where more recent, the half-yearly report, annualising the profit and loss account figures.

“Articles of Association”: Banca Generali’s Articles of Association, as in effect from time to time.

“Close Relatives”: pursuant to the definitions contained in the Annex to the RPT Regulation, as well as to Part III, Chapter 11, Section I, paragraph 3, of Circular No. 285, close relatives of an individual are those family members who may be expected to influence or be influenced by that individual in their dealings with the Company, and include (i) the individual’s children and spouse or domestic partner; (ii) children of the individual’s spouse or domestic partner; (iii) dependants of the individual or the individual’s domestic partner; and (iv) the individual’s family members up to the second degree.

“TUF”: Italian Legislative Decree No. 58 of 24 February 1998, as further amended and extended.

2. APPROVAL OF THE PROCEDURE AND RELATED AMENDMENTS

- 2.1 The adoption of the Procedure and related amendments are approved by the Board of Directors with prior favourable opinion from the Committee and Board of Statutory Auditors regarding the overall fitness of the Procedure to achieve the objectives of the provisions governing Transactions with Related Parties and Connected Parties. To this end, the Committee meets in a timely manner in view of the meeting of the Board of Directors called to approve the Procedure or amendments to the Procedure. The Committee's opinion is then submitted to the Board of Directors in a timely manner for passing a resolution.
- 2.2 If there are not at least 3 (three) Independent Directors on the Committee, resolutions of the Board of Directors on the adoption of the Procedure and the related amendments are approved by prior favourable opinion of any Independent Directors present or, in their absence, by a prior non-binding opinion of an independent expert appointed by the Board of Directors. In this case as well, the opinion is submitted to the Board of Directors in a timely manner for passing a resolution.
- 2.3 In formulating the Procedure and the related amendments, the Board of Directors identifies which rules require amendments to the Articles of Association and resolves on the ensuing proposals to be submitted to the Shareholders' Meeting in accordance with this Article 2.
- 2.4 At least every 3 (three) years, the Board of Directors evaluates – including through delegated bodies – whether to revise the Procedure, considering, *inter alia*, any amendments to laws and regulations, any changes to the Bank's ownership structures and the effectiveness of the Procedure in applied practice, to ensure the greatest possible transparency and substantial and procedural propriety of Transactions with Related Parties and Connected Parties. To this end, at least every three years, the Chief Executive Officer and the General Manager submit a proposal to revise or confirm the Procedure to the Board of Directors.
- 2.5 The Relevant Function submits the Procedure to the Directors, Statutory Auditors, Managers with Strategic Responsibilities and main company functions of the Bank, including the Manager in Charge of Financial Reports. The Procedure is also submitted by the Relevant Function to the Directors and main company functions of Subsidiaries, pursuant to Article 114, paragraph 2, of TUF and paragraph 3.6 of Part III, Chapter 11, Section III, of Circular No. 285.

- 2.6 In the event of amendments to the Procedure, such amendments apply with effect from the date of their approval by the Board of Directors.
- 2.7 In the event of amendments to the Consob's Provisions or the Bank of Italy's Provisions, references to articles or paragraphs thereof in this Procedure are to be understood to refer — the contents of the articles or paragraphs being equal — to the articles or paragraphs of the Consob's Provisions or Bank of Italy's Provisions as amended.
- 2.8 The Procedure is published without delay on the Company's website after it is approved and after each subsequent amendment by the Board of Directors, without prejudice to the disclosure obligation, including with regard to the site itself, in the annual financial report, pursuant to Article 2391-*bis* of the Italian Civil Code.
- 2.9 The Board of Directors vests the Chairman of the Board of Directors and the Chief Executive Officer and General Manager of the Company, jointly and severally, with the broadest powers and authority to fully implement and enforce this Procedure.

3. MAPPING AND MONITORING OF RELATED PARTIES AND CONNECTED PARTIES AND TRANSACTIONS UNDERTAKEN

3.1 Tasks of the Relevant Function:

The Relevant Function:

- (i) sets up and updates the list of Related Parties and Connected Parties, also on the basis of the information indicated in Article 3 (the “**List of Related Parties and Connected Parties**”);
- (ii) transmits the List of Related Parties and Connected Parties to the Chief Executive Officer, the General Manager, the Manager in Charge of Financial Reports, and the competent functions of the Subsidiaries;
- (iii) notifies all persons and parties concerned of their inclusion in the List of Related Parties and Connected Parties;
- (iv) carries out an analysis, at least on a half-yearly basis, with a view to identifying all contractual relationships underway with Related Parties and Connected Parties;
- (v) sets up and updates a list of Transactions with Related Parties and Connected Parties concluded during the reference period (the “**List of Transactions with Related Parties and Connected Parties**”) for the purposes of fulfilling reporting obligations, and in particular:
 - (a) for the purposes of preparation of the interim and annual Directors’ Report on Operations, sets up and keeps up-to-date a separate list of (I) individual Transactions of Greater Importance concluded during the reference period; (II) any other individual Transactions with Related Parties or Connected Parties concluded during the reference period that had a significant effect on the Bank’s financial position or profit or loss results; and (III) changes in or developments of Transactions with Related Parties or Connected Parties described in the last annual report that had a significant effect on the financial position or profit or loss results of the Bank during the reference period;
 - (b) circulates the list set out in point (a) above to the Chief Executive Officer, General Manager and Manager in Charge of Financial Reports;
 - (c) sets up and keeps up-to-date, for the purposes of the reporting obligations set out in Article 13, paragraph 3 (c), point i), of the RPT Regulation, a separate list of the Regular Transactions that have benefited from the exclusion set out in Article 12.1.1(vii) (the “**List of Regular Transactions**”);

- draws up and forwards to the Chief Executive Officer and General Manager, on a quarterly basis, the information statement to be submitted to the Board of Directors and the Board of Statutory Auditors in respect of the conclusion of Related Party or Connected Party Transactions of Lesser Importance pursuant to Article 7.5.1;
- (vi) promptly informs the Chief Executive Officer and General Manager when the significance thresholds set in the definition of Transactions of Greater Importance are about to be exceeded due to Cumulation of Transactions for the purposes of the reporting obligations set out in Article 16.1;
- (vii) prepares and sends the Chief Executive Officer and General Manager a communication indicating the counterparty, subject-matter and consideration of each Transaction of Greater Importance that has benefited from the cases of exclusion set out in Article 10 concluded during the reference period, also specifying the cases of exclusion laid down in Article 10 and the assessments performed for the purposes of Article 4.2.1(i)(b) (the “**Communication on Exempt Transactions**”); and
- (viii) prepares and sends the Chief Executive Officer and General Manager a communication indicating the counterparty, subject-matter and consideration of each Transaction of Greater Importance that qualifies as Regular and that has benefited from the exclusion laid down in Article 12.1.1(vii), along with the reasons why it is believed that the Transaction of Greater Importance is Regular and has been concluded at Market or Standard Equivalent Conditions, providing an objective basis for this claim (the “**Communication on Regular Transactions**”), in time for it to be submitted to Consob and the Independent Directors, who give a binding Opinion pursuant to Article 12.1.2(iv)(a).

3.2 Communications for the Relevant Function and the body responsible for approving a Transaction

3.2.1 In order to permit the Bank to fulfil the obligations imposed by the Consob's Provisions, the Bank of Italy's Provisions and this Procedure, as well as to correctly prepare the List of Related Parties and Connected Parties and the List of Transactions with Related Parties and Connected Parties, the Relevant Function receives the information required to do so and requested by the said Relevant Function from the following parties from time to time according to the terms and conditions indicated by the Relevant Function, including through the communication form reproduced in Annex 1 to this Procedure:

- (i) Managers with Strategic Responsibilities and Corporate Officers;
- (ii) Related Parties and Connected Parties;
- (iii) Assicurazioni Generali S.p.A., through its competent company functions;

- (iv) those who hold a significant investment pursuant to Article 120 of TUF or who are parties to an agreement provided for in Article 122 of TUF, who are Related Parties or Connected Parties of the Company.

3.2.2 The aforementioned parties report in a timely manner to the Relevant Function any updates and changes to previously provided information that may entail modifications in the scope of Related Parties and Connected Parties and the related Transactions.

3.2.3 As soon as they become aware of, the Company's Managers with Strategic Responsibilities and Corporate Officers shall promptly inform (i) the Relevant Function of any acquisition they or any of their Close Relatives may have made of equity investments that entail Control, Joint Control or Significant Influence over an entity, and (ii) the Relevant Function and the body responsible for approving a Transaction of the occurrence of any acts or circumstances that may result in the conclusion of Transactions with Related Parties and Connected Parties that concern such Managers with Strategic Responsibilities and Corporate Officers.

4. IDENTIFICATION AND ASSESSMENT OF RELATED PARTY AND CONNECTED PARTY TRANSACTIONS

4.1 Identification of the Transaction and reporting to the Relevant Function

4.1.1 Before entering into negotiations, the Proposing Function of a Transaction (the “**Proposing Function**”) shall determine, without delay, with the assistance of the Relevant Function and in consultation of the List of Related Parties and Connected Parties, whether the counterparty to a Transaction is a Related Party or a Connected Party.

4.1.2 If the counterparty to a Transaction is a Related Party or a Connected Party, the Proposing Function shall inform the Relevant Function promptly of its intention to enter into negotiations, together with the following information, insofar as it is known:

- (i) the name of the Related Party or the Connected Party that is a counterparty to the Transaction and the nature of the Related Party or Connected Party relationship;
- (ii) the type and subject-matter of the Transaction;
- (iii) the economic conditions of the Transaction, including the estimated value of the Transaction, i.e., whether it involves the acquisition or disposal of equity investments, companies or business units and the total assets and liabilities of the entity representing the subject-matter of the Transaction;
- (iv) the planned timing of the Transaction and any reasons for urgency;
- (v) any other transactions concluded during the reference period with the same Related Party or the same Connected Party (or with parties related to them).

4.1.3 For the purposes of the evaluation indicated in Article 4.1.2(iii) above, the value of long-term contracts is equal to the presumed consideration for the entirety of the term in the case of fixed-term contracts, or, where the contracts are indefinite in term, equal to the presumed consideration for a term of one financial year, or, where the term of notice for termination exceeds one year, for the entire advance notice period (in any event, excluding the optional term of renewal, where contractually provided for).

4.2 Evaluation of the Transaction

4.2.1 The Proposing Function and the Relevant Function shall, without delay:

- (i) promptly evaluate

- (a) whether the Transaction, by type, falls within the scope of application of this Procedure;
 - (b) whether there exist, in respect of the Transaction, one or more causes of exclusion set out in Article 12 and, in particular, whether (I) the Transaction is a Regular Transaction to be concluded at Market or Standard Equivalent Conditions, including for the purposes of Article 12.1.2(ii), (II) there are Significant Interests for the purposes of Article 12.2 (including taking account, for the purposes of evaluation, of the general principles indicated in the Application Communication), or (III) there are urgent reasons, including for the purposes of Article 12.3;
 - (c) whether the Transaction qualifies as a Transaction of Lesser Importance or as a Transaction of Greater Importance (while also taking account of the Cumulation of Transactions); and
- (ii) submit the information regarding the Transaction, with the related assessments, to the Chief Executive Officer and the General Manager.
- 4.2.2 The Relevant Function also assesses if the Transaction is price-sensitive pursuant to the MAR and, where this is the case, proceeds in accordance with the Code on Handling Relevant and Inside Information of Banca Generali as in effect from time to time.

5. COMPOSITION AND FUNCTIONING OF THE COMMITTEE

5.1 Composition of the Committee

5.1.1 If, with regard to a certain Transaction:

- (i) one of the Directors who makes up the Committee does not qualify as an Unrelated Director, or is a Director Involved in the Transaction, the Director in question may not take part in the Committee's work, and the Committee shall be validly constituted with the presence of the remaining 3 (three) Unrelated Directors not Involved in the Transaction;
- (ii) several Directors who make up the Committee do not qualify as Unrelated Directors, or are Directors Involved in the Transaction, the Directors in question may not take part in the Committee's work, and in this case:
 - (a) if there are at least 3 (three) Independent Directors who are Unrelated and not Involved in the Transaction (in the case of Transactions of Greater Importance), or at least 2 (two) Independent Directors who are Unrelated and not Involved in the Transaction (in the case of Transactions of Lesser Importance), the Committee shall be considered validly constituted with the presence of the aforementioned Independent Directors who are Unrelated and not Involved in the Transaction;
 - (b) if there are not at least 3 (three) Independent Directors who are Unrelated and not Involved in the Transaction (in the case of Transactions of Greater Importance), or at least 2 (two) Independent Directors who are Unrelated and not Involved in the Transaction (in the case of Transactions of Lesser Importance), the Board of Directors, on proposal of the remaining Independent Directors who are Unrelated and not Involved in the Transaction who make up the Committee (or of the Board of Statutory Auditors, in the absence of Independent Directors who are Unrelated and not Involved in the Transaction), shall proceed without delay to increase the number of members of the Committee to include one more Independent Directors who are Unrelated and not Involved in the Transaction, until reaching a minimum of 3 (three) Independent Directors who are Unrelated and not Involved in the Transaction (in the case of Transactions of Greater Importance), or at least 2 (two) Independent Directors who are Unrelated and not Involved in the Transaction (in the case of a Transaction of Lesser Importance).

5.1.2 Where it is not possible to apply the provisions set out in paragraph 5.1.1 above, the Bank shall have recourse to the equivalent measures laid down in paragraphs

7.3 and 8.3, respectively, for Transactions of Lesser Importance and for Transactions of Greater Importance.

5.2 Functioning of the Committee

5.2.1 In granting its opinion, the Committee passes resolutions:

- (i) in the case set out in Article 5.1.1(i) above, by the majority of those present;
- (ii) in the cases set out in letters (a) and (b) of Article 5.1.1(ii) above, by the majority of those present if the Committee is composed of at least 3 (three) Independent Directors who are Unrelated and not Involved in the Transaction, or unanimously if the Committee is composed of 2 (two) Independent Directors who are Unrelated and not Involved in the Transaction.

5.2.2 Meetings, proceedings and resolutions of the Committee must be documented by specific minutes. The Opinion must be appended to the minutes of the Committee meeting.

6. RULES GOVERNING TRANSACTIONS WITH RELATED PARTIES OR CONNECTED PARTIES – GENERAL PROVISIONS

Transactions with Related Parties and Connected Parties shall comply with the criteria of substantial and procedural transparency and propriety set out in the Consob's Provisions and the Bank of Italy's Provisions.

6.1 Information flows during the preliminary phase

6.1.1 The Transactions, whether of Lesser or Greater Importance, must be presented with full and in-depth information about the reasons underlying each and every Transaction in question and the Bank's interest in its performance, as well as the advisability of proceeding with the latter in light of the substantive fairness and propriety of the related terms and conditions.

6.1.2 To this end, the preliminary documentation — summarised in a specific report drafted by the Proposing Function and accompanied by any required opinions issued by the other competent company functions that includes the information set out in Article 4.1.2 and the assessments indicated in Article 4.2 (the **"Preliminary Documentation"**) — is submitted to the Committee or, in the cases provided for in Articles 7.3 and 8.3, to the Independent Directors who are Unrelated and not Involved in the Transaction, or to the Board of Statutory Auditors, appropriately in advance on the date on which it is called to express an opinion. The documentation must contain complete, adequate information regarding the various aspects of the Transaction, including — to the extent that it is known — adequate information concerning (i) the counterparty, (ii) the type of Transaction, (iii) the conditions of the Transaction, (iv) the advisability of the Transaction for the Bank, (v) the impact of the Transaction on the interests of the parties involved, and (vi) the timing of the Transaction.

6.1.3 The Chief Executive Officer and General Manager shall ensure that the members of the Committee called on to give the Opinion and the body in charge of resolving upon or passing resolutions on the Transaction receive complete, adequate information regarding the Transaction appropriately in advance. If the conditions of the Transaction are termed Market or Standard Equivalent Conditions and the Transaction must, in any case, be examined by the Committee or by the body in charge of resolving upon or passing resolutions on the Transaction, the documentation prepared shall contain objective elements.

6.1.4 The Opinion must describe, to the parties in charge of resolving upon or passing resolutions on the Transaction, any gaps in the information or other limitations or inadequacies detected during the preliminary phase.

6.1.5 The Chairman of the Board of Directors ensures that adequate information on all Transactions of Lesser Importance falling within the remit of the Board of Directors and on all Transactions of Greater Importance is made available not only to all Directors in compliance with Article 2381 of the Italian Civil Code, but

also to the Board of Statutory Auditors, in a timely manner so as to allow the Board of Directors to pass a resolution.

6.2 **Recourse to independent experts**

6.2.1 The Committee may secure assistance, at the Bank's expense, from one or more independent experts of its choosing for the purposes of the assessments within its purview, including by acquiring specific expert reports or fairness or legal opinions provided by such independent experts.

6.2.2 Before commissioning an independent expert, the Committee shall first verify the expert's independence, considering the economic, property and financial relationships specified in paragraph 2.4 of Annex 4 to the RPT Regulation⁷ and, where such relationships are present, state the reasons why they are not relevant for the purposes of evaluating the expert's independence.

6.2.3 For the purposes of commissioning one or more independent experts, the Committee must also observe a spending limit of up to:

- (i) 50,000.00 euros for Transactions the value of which is lower than 10,000,000.00 euros;
- (ii) 100,000.00 euros for Transactions the value of which is greater than 10,000,000.00 euros;

unless otherwise authorised by the Board of Directors, and after obtaining the favourable opinion of the Board of Statutory Auditors.

6.2.4 Without prejudice to the need for an autonomous assessment of the expert's independence in accordance with the criteria indicated above, the Committee may also avail itself of the same expert appointed by the Board of Directors to evaluate the Transaction, provided that the assignment granted to the expert expressly and specifically also calls for the expert to assist the members of the Committee in performing the tasks assigned to them under this Procedure.

⁷ In detail, the Committee shall first assess whether the experts meet the independence requirement, taking account of the economic, property and financial relationships between the independent experts and: (i) the Related Party, companies controlled by the Related Party, entities that control the Related Party, companies subject to joint control and the directors of the foregoing companies; (ii) the Company, companies controlled by the Company, entities that control it, companies subject to joint control and the directors of the foregoing companies, considered for the purposes of qualifying the expert as independent and the reasons why such relationships were considered irrelevant to the evaluation of independence. Information regarding any relationships may be provided by appending a declaration by the independent experts.

7. TRANSACTIONS OF LESSER IMPORTANCE WITH RELATED PARTIES AND CONNECTED PARTIES

If a Transaction of Lesser Importance with Related Parties or Connected Parties falls within the scope of application set out in Article 10, approval of the transactions in question shall be reserved for the Board of Directors, which shall pass resolutions in the manner indicated therein.

To all other Transactions of Lesser Importance with Related Parties or Connected Parties, the following provisions apply.

7.1 Preliminary phase

7.1.1 The general principles set out in Article 6 above shall also apply to the preliminary phase, including as regards the Committee's right to secure the assistance of one or more independent experts.

7.1.2 All information submitted to the Committee and the remarks formulated by it, along with the additional documentation regarding the Transaction, including the related Opinion, shall be promptly made available to the body in charge of approving the Transaction.

7.2 Non-binding Opinion

Before the Transaction is approved, the Committee shall express a prior, reasoned, non-binding Opinion of the Bank's interest in undertaking the Transaction and the advisability and substantial propriety of the related conditions, where appropriate also in the light of the overall result of the management and coordination of Assicurazioni Generali S.p.A. or of transactions designed to eliminate in their entirety the damages caused by the single Transaction.

7.3 Equivalent measures

Where it is not possible to achieve a composition of the Committee in accordance with the provisions of Article 5.1, the functions and prerogatives of the Committee must be carried out by the Board of Statutory Auditors. In this case, the provisions concerning the non-binding Opinion shall apply to the opinion given by the Board of Statutory Auditors, and, if several members thereof have an interest in the transaction in question, either on their own behalf or on behalf of third parties, they must give notice thereof to the other members of the Board of Statutory Auditors, specifying the nature, terms, origin and extent of the said interest.

7.4 Decision-making phase

7.4.1 If the Transaction falls within the purview of the Chief Executive Officer, the latter shall refrain from undertaking the Transaction and assign this task to the Board of Directors pursuant to Article 2391, paragraph 1, of the Italian Civil Code.

- 7.4.2 If the Transaction falls within the purview of the Board of Directors, the Directors who have an interest in the Transaction shall inform the Board of Directors promptly and thoroughly thereof, including for the purposes of Article 2391 of the Italian Civil Code, with the Chairman of the Board of Directors assessing, on a case-by-case basis, the advisability of having the aforementioned Directors leave the Board's meeting and discussion at the time of passing the resolution. Any Directors Involved in the Transaction shall abstain from voting on it, with the Chairman of the Board of Directors assessing, on a case-by-case basis, the advisability of having the aforementioned Directors Involved in the Transaction leave the Board's meeting and discussion at the time of passing the resolution.
- 7.4.3 The minutes of the resolutions of the Board of Directors shall contain adequate information regarding the Transaction and adequate, detailed information concerning, at least:
- (i) the Company's interest in undertaking the Transaction and the advisability and substantial propriety of the related conditions, where appropriate also in the light of the overall result of the management and coordination of Assicurazioni Generali S.p.A. or of transactions designed to eliminate in its entirety the damage caused by the single Transaction;
 - (ii) the reasons for any deviations, in terms of economic and conditional conditions and other profiles characteristic of the Transaction, from standard or market conditions, without prejudice to the fact that elements supporting these motivations must be stated in the documentation accompanying the resolution;
 - (iii) if the non-binding Opinion is negative or conditional on remarks formulated by the Committee and the undertaking of the Transaction has in any event been approved, the reasons for which the Transaction has been approved, with thorough responses to the remarks formulated by the Committee.
- 7.4.4 In accordance with the provisions of the company procedures in force, a full and timely account of the Transaction undertaken must be provided to the corporate function tasked with drawing up accounting documents, as well as to the Manager in Charge of Financial Reports.
- 7.5 **Reporting to the Board of Directors, the Board of Statutory Auditors and the public**
- 7.5.1 The Chief Executive Officer and General Manager shall report, at least on a quarterly basis, to the Board of Directors and the Board of Statutory Auditors in respect of any and all Transactions of Lesser Importance undertaken with Related Parties and Connected Parties that do not fall within the purview of the Board of Directors and their main features.

- 7.5.2 Transactions that do not fall within the remit of the Board of Directors and on which the Committee has expressed a negative, non-binding Opinion or a conditional opinion are reported to the Board of Directors and Board of Statutory Auditors as soon as the decision has been reached.
- 7.5.3 Without prejudice to the provisions of Article 17 of the MAR, the Relevant Function and the corporate functions involved in the Transactions shall prepare and made available to the public — at the Company’s registered offices and pursuant to the procedural formalities specified in Part III, Title II, Chapter I, of the Rules for Issuers, within 15 (fifteen) days following the end of each quarter of the financial year — a document specifying the counterparty, the subject-matter and the consideration of the Transactions approved in the quarter of reference with a Committee’s negative non-binding Opinion, as well as the reasons for which the Opinion in question was disregarded. By the same deadline, the Opinion in question must be made available to the public as an attachment to the aforementioned information document or at the Company’s corporate website.

8. TRANSACTIONS OF GREATER IMPORTANCE WITH RELATED PARTIES AND CONNECTED PARTIES

The Board of Directors enjoys sole decision-making powers in respect of Transactions of Greater Importance with Related Parties and Connected Parties, unless the law or Articles of Association reserve such powers to the General Shareholders' Meeting.

To all other Transactions of Greater Importance with Related Parties or Connected Parties, the following provisions apply.

8.1 Preliminary phase

In addition to as provided for in Article 7.1.1 above, the Committee, or one or more of its members delegated to do so, (i) are involved promptly in the negotiation and preliminary phase by receiving a complete, up-to-date flow of information regarding the Transaction and its state of progress, and (ii) are able to request information and submit remarks to the delegated bodies and parties charged with conducting the negotiations or the preliminary phase of the Transaction.

8.2 Binding opinion

Before the Transaction is approved, the Committee shall express a prior, reasoned, binding Opinion of the Bank's interest in undertaking the Transaction and the advisability and substantial propriety of the related conditions, where appropriate also in the light of the overall result of the management and coordination of Assicurazioni Generali S.p.A. or of transactions designed to eliminate in their entirety the damages caused by the single Transaction. The Opinion shall be deemed favourable in the event where the Transaction is found fully advisable⁸. Pursuant to Circular No. 285, in addition, if this Opinion is negative or conditional on remarks, prior to the approval of the Transaction a prior opinion must be requested from the Board of Statutory Auditors, which must be given information appropriate in timing and content regarding the Transaction.

8.3 Equivalent measures

Where it is not possible to achieve a composition of the Committee in accordance with the provisions of Article 5.1, the functions and prerogatives of the Committee must be carried out by Independent Directors who are Unrelated and not Involved in the Transaction or, in their absence, by the Board of Statutory Auditors. In this case, the provisions relating to the non-binding Opinion will apply to the opinion

⁸ As provided for in paragraph 13 of the Application Communication, it would thus be preferable for any opinion deemed favourable, and accordingly used as the basis for authorising the conclusion of the transaction in question despite certain reservations, to be supported by a statement of the grounds on which the said reservations were disregarded or overruled in deciding on the overall advisability of proceeding with the transaction, taking due account of the Company's interests, as well as the substantive propriety of the related terms and conditions.

given by the Independent Directors who are Unrelated and not Involved in the Transaction or by the Board of Statutory Auditors. In the event that the functions and prerogatives of the Committee are to be carried out by the Board of Statutory Auditors, if several members thereof have an interest in the transaction in question, either on their own behalf or on behalf of third parties, they must give notice thereof to the other members of the Board of Statutory Auditors, specifying the nature, terms, origin and extent of the said interest.

8.4 **Decision-making phase**

8.4.1 If the Transaction falls within the purview of the Board of Directors, the Directors who have an interest in the Transaction shall inform the Board of Directors promptly and thoroughly thereof, including for the intents and purposes of Article 2391 of the Italian Civil Code, with the Chairman of the Board of Directors assessing, on a case-by-case basis, the advisability of having the aforementioned Directors leave the Board's meeting and discussion at the time of passing the resolution. Any Directors Involved in the Transaction shall abstain from voting on it, with the Chairman of the Board of Directors assessing, on a case-by-case basis, the advisability of having the aforementioned Directors Involved in the Transaction leave the Board's meeting and discussion at the time of passing the resolution.

8.4.2 The minutes of the resolutions of the Board of Directors shall contain adequate information regarding the Transaction and:

- (i) the Company's interest in undertaking the Transaction and the advisability and substantial propriety of the related conditions, where appropriate also in the light of the overall result of the management and coordination of Assicurazioni Generali S.p.A. or of transactions designed to eliminate in its entirety the damage caused by the single Transaction;
- (ii) the reasons for any deviations, in terms of economic and conditional conditions and other profiles characteristic of the Transaction, from standard or market conditions, without prejudice to the fact that elements supporting these motivations must be stated in the documentation accompanying the resolution; and
- (iii) if the binding Opinion is negative or conditional on remarks formulated by the Committee (or by the Board of Statutory Auditors) and the undertaking of the Transaction has in any event been approved, the reasons for which the Transaction has been approved, with thorough responses to the remarks formulated by the Committee.

8.4.3 In accordance with the provisions of the company procedures in force, a full and timely account of the Transaction undertaken must be provided to the corporate function tasked with drawing up accounting documents, as well as to the Manager in Charge of Financial Reports.

- 8.4.4 The Board of Directors may approve and execute a Transaction of Greater Importance despite a negative binding Opinion provided that undertaking this Transaction has been authorised pursuant to Article 2364, paragraph 1(5), of the Italian Civil Code, and Article 13 of the Articles of Association by the Shareholders' Meeting, which passes resolutions in accordance with Article 9.

9. TRANSACTIONS WITHIN THE PURVIEW OF THE SHAREHOLDERS' MEETING**9.1 Transaction of Lesser Importance within the purview of the Shareholders' Meeting**

If a Transaction of Lesser Importance with Related Parties or Connected Parties falls within the purview of the Shareholders' Meeting or must be authorised by the Shareholders' Meeting, during the preliminary phase and the decision-making phase to approve the draft resolution to be submitted to the Shareholders' Meeting, the provisions set out in Articles 6 and 7 shall apply, to the extent compatible.

9.2 Transaction of Greater Importance within the purview of the Shareholders' Meeting

If a Transaction of Greater Importance with Related Parties or Connected Parties falls within the purview of the Shareholders' Meeting or must be authorised by the Shareholders' Meeting, during the preliminary and discussion phases and the decision-making phase to approve the draft resolution to be submitted to the Shareholders' Meeting, the provisions set out in Articles 6 and 8 shall apply, to the extent compatible.

9.3 Draft resolution approved with a negative binding Opinion

A draft resolution concerning a Transaction of Greater Importance with Related Parties or Connected Parties to be submitted to the Shareholders' Meeting may also be approved with a negative binding Opinion. In this case, without prejudice to the provisions of Articles 2368, 2369 and 2373 of the Italian Civil Code, the resolution may only be approved when the majority of voting Unrelated Shareholders do not vote against it and provided that the Unrelated Shareholders in attendance at the Shareholders' Meeting represent at least 10% (ten percent) of share capital with voting rights.

10. FRAMEWORK-RESOLUTIONS

- 10.1.1 In accordance with Article 12 of the RPT Regulation and Part III, Chapter 11, Section III, paragraph 3.5, of Circular No. 285, Transactions with Related Parties and Connected Parties that are similar and sufficiently determined, including where they are to be undertaken through Subsidiaries or Associates, may be approved by means of framework-resolutions.
- 10.1.2 Without prejudice to the provisions of the RPT Regulation and Circular No. 285, including with regard to public disclosure, the principles set out in Articles 6, 7 and 8 above shall apply to resolutions governing the passage of framework-resolutions, depending on the foreseeable maximum amount of the Transactions subject to the resolution, cumulatively considered.
- 10.1.3 Framework-resolutions adopted pursuant to this Article 10 shall not be effective for more than a year and shall report at least the foreseeable maximum amount of Transactions to be performed during the reporting period and the reasons for the foreseeable terms.
- 10.1.4 Upon approval of a framework-resolution, the Company shall publish an Information Document pursuant to Article 16.1.1 whenever the foreseeable maximum amount of Transactions subject to resolution exceeds one of the significant reporting thresholds provided for Transactions of Greater Importance.
- 10.1.5 Provisions envisaged in Articles 7 and 8 shall not apply to individual Transactions completed in the implementation of framework-resolutions. Transactions completed in implementation of a framework-resolution described in an Information Document published pursuant to Article 10.1.4 above shall not be counted for the purpose of Cumulation of Transactions.

11. TRANSACTIONS THAT ALSO FALL WITHIN THE SCOPE OF APPLICATION OF THE RULES GOVERNING THE OBLIGATIONS OF BANK CORPORATE OFFICERS PURSUANT TO ARTICLE 136 OF TUB

11.1 If a Transaction is to be concluded with a Corporate Officer that entails the assumption of obligations of any kind or the entry into purchase and sale deeds, directly or indirectly, with the Bank by the Corporate Officer in question, the Transaction must be authorised (i) by resolution of the Board of Directors passed unanimously and with the Corporate Officer in question abstaining from the vote, and (ii) with the vote in favour of all members of the Board of Statutory Auditors, without prejudice to the obligations laid down in this Procedure and in Articles 2391 and 2391-*bis* of the Italian Civil Code.

11.2 In this regard, the following should be noted:

11.2.1 Transactions that fall within the scope of application of Article 136 of TUB and are relevant for the purposes of Article 11.1 above include:

- (i) purchase and sale deeds and transactions;
- (ii) obligations of any kind (financial and non-financial) assumed by Corporate Officers towards the Bank or by parties tied to one or more Corporate Officers by a relationship such that the Corporate Officers have unlimited vicarious liability for such obligations; and
- (iii) professional assignments (which the Bank of Italy recommends not to be awarded to Corporate Officers on a systematic, exclusive basis).

11.2.2 Pursuant to Bank of Italy Circular No. 229 of 21 April 1999, services that do not entail the disbursement of credit, including customers' investments (such as the opening of deposits in the form of correspondence current accounts, the subscription of bonds, certificates of deposit, interest-bearing certificates and repurchase agreements), rendered to Corporate Officers on standardised conditions of use for customers, do not appear to fall under Article 136 of TUB.

11.2.3 The notion of "indirect" obligation refers to a situation in which the relationship of obligation, while formally attributable to a party — who is a natural person (for example, the spouse or other family member of the Corporate Officer) or a legal person — other than the Corporate Officer, *de facto* attaches to the Corporate Officer.

12. EXEMPT TRANSACTIONS AND URGENT CASES

12.1 Exempt transactions

12.1.1 The provisions of Articles 6, 7, 8, 9 and 16.1 of this Procedure do not apply:

- (i) to Board of Directors' resolutions pursuant to Article 2389, paragraph 1, of the Italian Civil Code concerning remuneration due to members of the Board of Directors and executive committee (where appointed), nor to resolutions concerning the remuneration of Directors entrusted with specific tasks falling within the total amount determined in advance by the Shareholders' Meeting pursuant to Article 2389, paragraph 3, of the Italian Civil Code, where consistent with the supervisory regulations governing the incentive and remuneration systems of banks;
- (ii) to the resolutions of the Shareholders' Meeting pursuant to Article 2402 of the Italian Civil Code concerning remuneration due to members of the Board of Statutory Auditors, where consistent with the supervisory regulations governing the incentive and remuneration systems of banks;
- (iii) to remuneration plans based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-*bis* of TUF and the related executing transactions, where consistent with the supervisory regulations governing the incentive and remuneration systems of banks, without prejudice to Article 16.2, where applicable;
- (iv) to resolutions other than those indicated in points (i) and (ii) above on the remuneration of Directors entrusted with specific tasks and Managers with Strategic Responsibilities, provided that:
 - (a) Banca Generali has adopted a remuneration policy approved by the Shareholders' Meeting;
 - (b) the remuneration policy was informed by input and contributions also from a committee made up exclusively of Non-executive Directors, the majority of whom are Independent Directors;
 - (c) the remuneration assigned is identified in accordance with this policy and quantified on the basis of criteria that do not entail discretionary assessments;
 - (d) the remuneration is compliant with supervisory provisions governing the incentive and remuneration systems of banks;

without prejudice to Article 16.2, where applicable, and without prejudice to the fact that the Chief Executive Officer may, at his sole discretion, render the exclusion set out in this point (iv) not applicable to specific deliberations;

- (v) where the counterparty is a Consob Related Party, to Transactions approved by the Company and addressed to all shareholders, on equal conditions, including:
 - (a) capital increases with pre-emptive rights, including those in service of convertible bonds, and free share capital increases pursuant to Article 2442 of the Italian Civil Code;
 - (b) total or partial de-mergers, narrowly defined, with the proportional share assignment criterion;
 - (c) reductions of share capital by redemption of shareholders pursuant to Article 2445 of the Italian Civil Code and purchases of treasury shares pursuant to Article 132 of TUF;

without prejudice to the fact that, where the counterparty to a Transaction is a Connected Party, Articles 6, 7 and 8 shall nonetheless apply;

- (vi) to Transactions of Small Amount, without prejudice to the fact that the Chief Executive Officer may, at his sole discretion, render the exclusion set out in this point (vi) not applicable to specific Transactions of Small Amount;
- (vii) where the counterparty is a Consob Related Party, or in the case of Transactions of Lesser Importance with Connected Parties, to Regular Transactions concluded at Market or Standard Equivalent Conditions, without prejudice to Article 12.1.2 below, and also without prejudice to the fact that, in the case of Transactions of Greater Importance the counterparty to which is a Connected Party, Articles 6 and 8 shall nonetheless apply;
- (viii) to Transactions to be undertaken on the basis of instructions for the purposes of stability given by the Supervisory Authority, or on the basis of provisions issued by Assicurazioni Generali S.p.A. for the execution of instructions given by the Supervisory Authority in the interest of the stability of the Generali Group, without prejudice, in any event, to the application of the provisions concerning public disclosure and disclosure to Consob set out in Article 16;
- (ix) to Transactions with Connected Parties (A) undertaken between members of the Banca Generali Group, when they are in a relationship of total Control (or Joint Control), or (B) of intragroup transfer of funds or collateral within the framework of the liquidity risk management system at the consolidated level.

12.1.2 Regular Transactions.

- (i) “**Regular Transactions**” refer to Transactions:

- (a) carried out during the normal course⁹ of operating activities¹⁰ — including, in the event of Transactions to be effected through Subsidiaries, the operating activities of the latter — and the related financial activities¹¹; and
- (b) concluded at Market or Standard Equivalent Conditions that must be duly documented and evidenced by objective elements of comparison;

according to the criteria set by the Company in its internal rules for the implementation of this Procedure, as in effect from time to time and periodically updated; without prejudice, in any event, to the fact that (I) pursuant to Circular No. 285, Regular Transactions are not considered to include Transactions of Greater Importance with Connected Parties and (II) the provisions of Articles 6 and 8 must nonetheless apply to Transactions of Greater Importance with Consob Related Parties qualifying as Regular Transactions.

- (ii) In any event, the Chief Executive Officer may, at his sole discretion, render the exclusion set out in Article 12.1.1(vii) inapplicable to specific Regular Transactions.
- (iii) A resolution approving Transactions that benefit from the exclusion set out in Article 12.1.1(vii) shall, in any event, contain elements that demonstrate the “regular” nature of the transaction, including by reference to criteria prepared and appropriately formalised by the Bank in advance.
- (iv) In cases of Transactions of Greater Importance with Consob Related Parties that qualify as Regular Transactions, without prejudice to the application of Articles 6 and 8, the Company may waive the obligation to prepare and publish the Information Document set out in Article 16.1. In this case, without prejudice to Article 17 of the MAR:

⁹ In assessing the “normal course”, account may be taken of the following elements: (i) the subject-matter of the Transaction; (ii) the frequency with which such Transaction is effected during the course of the Company’s business; (iii) the size of the Transaction; (iv) the contractual terms and conditions, taking due account of the features of the consideration; and (v) the nature of the counterparty; (iv) the time of the approval and conclusion of the Transaction.

¹⁰ See Application Communication, paragraph 3. In accordance with international accounting standards, a transaction must be classified in terms of the three broad categories of activity (operating, investing, financing) it involves, especially on the basis of the type of business the Company engages in (e.g., in the case of Banca Generali, the various types of lending transactions are generally classified as involving operating activities since they generate revenue for the Company).

¹¹ In light of this definition, even certain transactions that in the abstract may be deemed to involve financial activities, could be categorised as involving operating activities, insofar as they contribute towards carrying out operating activities.

- (a) the related Communication on the Regular Transactions shall be sent to Consob and the Independent Directors who give the binding Opinion within 7 (seven) days of approval of the Transaction;
- (b) Article 16.2 shall apply, indicating which of the Transactions subject to these disclosure obligations has been concluded in application of the exclusion set out in Article 12.1.1(vii).

12.2 Transactions with or between Subsidiaries or with Associates

Without prejudice to the application of Article 16.2, Transactions with or between Subsidiaries, including subject to Joint Control, and Transactions with Connected Parties are excluded from the scope of application of this Procedure where there are no Significant Interests in the Subsidiaries or Associates that are counterparties to the Transaction.

12.3 Urgent Cases

12.3.1 Transactions not within the purview of the Shareholders' Meeting.

- (i) Where expressly permitted by the Articles of Association, in the event that the Transaction does not fall within the purview of the Shareholders' Meeting and does not need to be authorised by it, in urgent cases, without prejudice to the disclosure obligations set out in Article 16, and without prejudice to the Board of Directors' exclusive remit to pass resolutions in the case of Transactions of Greater Importance, the Transaction may be concluded in derogation from Articles 7 and 8, provided that:
 - (a) where the Transaction to be undertaken falls within the purview of a Chief Executive Officer, the latter shall determine that there are specific urgent reasons based on objective circumstances and not exclusively attributable to discretionary decisions and inform the Chairman of the Board of Directors and the Board of Statutory Auditors promptly and, in any case, prior to the undertaking of the Transaction (where the Chairman of the Board of Directors or the Board of Statutory Auditors do not believe that the case is urgent, they must report it promptly to the other company bodies and to the Shareholders' Meeting at the earliest opportunity);
 - (b) where the Transaction to be undertaken falls within the purview of the Board of Directors: (I) the Board of Statutory Auditors shall be informed of the urgent reasons prior to the execution of the Transaction, and (II) the Board of Directors shall prepare a report containing an adequate statement of the urgent reasons, verifying whether they are based on objective circumstances and not exclusively attributable to discretionary decisions (without prejudice to the fact that, where one or more Directors or the Board of Statutory Auditors do not believe that the case is urgent, they

must report it promptly to the other company bodies and to the Shareholders' Meeting at the earliest opportunity);

- (c) such transactions are then subject, without prejudice to their effectiveness, to a non-binding resolution at the next forthcoming Shareholders' Meeting;
- (d) the body that convenes the Shareholders' Meeting for the purposes of point (c) above prepares a report containing an adequate statement of the urgent reasons and the Board of Statutory Auditors informs the Shareholders' Meeting of its assessments regarding whether such urgent reasons apply;
- (e) the report and findings mentioned in point (d) above must be disclosed to the public at least 21 (twenty-one) days prior to the scheduled date of the General Shareholders' Meeting, at the Company's registered offices and in accordance with the procedures set forth in Part III, Title II, Chapter I, of the Rules for Issuers;
- (f) by the day after that of the Shareholders' Meeting, the Bank shall make available to the public, in the manner indicated in Part III, Title II, Chapter I, of the Rules for Issuers the information concerning voting results, with particular regard to the total number of votes cast by Unrelated Shareholders.

12.3.2 Transactions within the purview of the Shareholders' Meeting.

- (i) Where expressly permitted by the Articles of Association, in an urgent case relating to a company crisis situation¹², without prejudice to the disclosure obligations set out in Article 16, Transactions within the purview of the Shareholders' Meeting or to be authorised by the Shareholders' Meeting may be concluded in derogation from Article 9, on condition that provisions of Article 12.3.1(i)((d) and (e)) apply to the Shareholders' Meeting called to pass the resolution.

¹² As clarified in paragraph 18 of the Application Communication, the expression "company crisis" is intended to refer not only to situations of full crisis, but also situations of financial tension. In particular, reference is intended not only to cases of significant losses pursuant to Articles 2446 and 2447 of the Italian Civil Code, situations in which the Company is subject to insolvency proceedings or situations in which there is uncertainty regarding the going concern principle expressed by the Company or its Board of Statutory Auditors, but also to situations of financial difficulty that may be foreseen to result in a significant decrease in capital in the near future pursuant to the aforementioned Articles 2446 and 2447 of the Italian Civil Code, i.e., rapid deterioration of supervisory capital ratios in conditions of particular financial market tension.

- (ii) If the Board of Statutory Auditors' assessments pursuant to Article 12.3.1(i) (d) are negative, the Shareholders' Meeting passes resolutions in the manner set out in Article 9.3; otherwise, Article 12.3.1(i)(f) shall apply.

12.4 Verification of the application of cases and conditions for exclusion

12.4.1 The Chief Executive Officer and General Manager shall send the Communication on Exempt Transactions to Independent Directors who express Opinions on an annual basis.

12.4.2 Upon receipt of the Communication on Exempt Transactions and the Communication on Regular Transactions, the Independent Directors shall verify the proper application of the conditions for exclusion and, in the event of remarks, report on them to the Board of Directors and Board of Statutory Auditors at the earliest opportunity, including to express remarks regarding the assessment criteria used and suggest any appropriate amendments to this Procedure.

13. PRUDENTIAL LIMITS ON RISK ASSETS IN RELATION TO CONNECTED PARTIES

13.1 Limit on the assumption of Risk Assets

Pursuant to the provisions of Circular No. 285, the assumption of Risk Assets in relation to Connected Parties must be undertaken within the following limits referring to Banca Generali's consolidated own funds.

13.1.1 Risk Assets assumed in relation to a Non-Financial Related Party and relevant connected parties

- (i) 5% in the case of a Related Party that is:
 - (a) a Corporate Officer; or
 - (b) a Controlling Investor or investor capable of exercising a Significant Influence on the Company;
- (ii) 7.5% in the case of a Related Party that is:
 - (a) an Investor other than the type defined in point (i) above;
 - (b) a party other than an Investor with the power of appointing one or more members of company bodies on an autonomous basis;
- (iii) 15% in all other cases.

13.1.2 Risk Assets assumed in relation to a Related Party other than a Non-Financial Related Party and relevant connected parties

- (i) 5% in the case of a Related Party who is a Corporate Officer;
- (ii) 7.5% in the case of a Related Party that is a Controlling Investor or an investor capable of exercising a Significant Influence on the Company;
- (iii) 10% in the case of a Related Party that is:
 - (a) an Investor other than the type defined in point (ii) above;
 - (b) a party other than an Investor with the power of appointing one or more members of company bodies on an autonomous basis;
- (iv) 20% in all other cases.

13.2 Quarterly disclosure

In order to allow company bodies to ensure constant observance of the prudential limits on Risk Assets in relation to Connected Parties, full information is provided, with at least quarterly frequency, to the company bodies, as suited to permitting

adequate monitoring of observance of the limits, including by Independent Directors, in view of any corrective measures.

13.3 Cases of breach of the prudential limits on Risk Assets in relation to Connected Parties

13.3.1 The Risk Management function, which is responsible for monitoring prudential limits on Banca Generali's Risk Assets, ensures the observance of the prudential limits on Risk Assets in relation to Connected Parties on an ongoing basis.

13.3.2 If one or more prudential limits are breached due to causes beyond the control and not due to the fault of Banca Generali, the Risk Management function gives notice of the breach to the Chief Executive Officer and the General Manager, who inform the Board of Directors and the Board of Statutory Auditors as soon as possible. In the event of overrun of one of the limits set forth in Article 13.1 above, Risk Assets must be brought within the limits in the shortest possible amount of time. To that end, the Risk Management function is then to draw up a recovery plan, which is to be approved by the Board of Directors, in consultation with the Board of Statutory Auditors, within 45 (forty-five) days of the breach of the limit. The recovery plan is submitted to the Bank of Italy within 20 (twenty) days of approval by the Board of Directors, along with the minutes containing the relevant resolutions.

13.3.3 Until Risk Assets have been restored to within the limits, the excess contributes to the calculation of overall capital requirements.

13.3.4 If the overrun of limits pertains to a Related Party by virtue of an equity investment held in Banca Generali or a company of the Banca Generali Group, the administrative rights associated with the equity investment are suspended.

14. DIRECTION AND COORDINATION TRANSACTIONS UNDERTAKEN BY ITALIAN OR FOREIGN SUBSIDIARIES

- 14.1 The Procedure shall also apply to Related Party Transactions and Connected Party Transactions that:
- (i) are to be effected in exercise of the Bank's powers of direction and coordination over Subsidiaries; and
 - (ii) shall be examined or approved by the Company in advance.
- 14.2 Authorisation must be priorly obtained from the Bank in any event for any and all Transactions with Related Parties and Connected Parties to be undertaken by Italian or foreign Subsidiaries and qualifying as Transactions of Greater Importance, in addition to those falling within the scope of Article 136 of TUB.
- 14.3 To allow for the implementation of the provisions set forth above, each Subsidiary shall promptly give the Company's Chief Executive Officer and the General Manager timely notice of any and all Related Party and Connected Party Transactions it intends to approve, together with all the information and documents required to ensure compliance with this Procedure.

15. RULES APPLICABLE TO CONNECTED PARTY TRANSACTIONS THAT GIVE RISE TO LOSSES, TRANSFERS TO THE BAD LOANS CATEGORY AND JUDICIAL OR EXTRAJUDICIAL SETTLEMENT AGREEMENTS

In compliance with the provisions of Part III, Chapter 11, Section III, of Circular No. 285, in cases of Connected Party Transactions that give rise to losses, transfers to the bad loans category and judicial or extrajudicial settlement agreements, the corporate body in charge of resolving upon these cases shall ensure that the Committee is involved through the receipt of complete, timely information and with the power to request information and formulate remarks for the delegated bodies on the Transactions in question.

16. DISCLOSURE TO THE PUBLIC AND SUPERVISORY AUTHORITIES**16.1 Disclosure to the Public on Related Party Transactions of Greater Importance****16.1.1 Preparation of the Information Document.**

- (i) On the occasion of Transactions of Greater Importance with Consob Related Parties, including those to be undertaken by Italian or foreign Subsidiaries, the Relevant Function, with the collaboration of the other company functions, shall prepare an information document drafted in accordance with Annex 4 to the RPT Regulation (the “**Information Document**”).
- (ii) The Information Document shall also be prepared where the significance threshold is exceeded due to Cumulation of Transactions. Transactions undertaken by Italian or foreign Subsidiaries are also relevant to the purposes of Cumulation of Transactions and any Transactions excluded pursuant to Article 10 are not considered. In this case, the Information Document contains information, including on an aggregate basis for similar transactions, regarding all transactions considered for the purposes of Cumulation of Transactions.
- (iii) For the intents of the foregoing point (ii), the Relevant Function shall coordinate with the competent functions of the Subsidiaries, imparting, on the Company's behalf, pursuant to Article 114, paragraph 2, of TUF, the necessary instructions for the Subsidiaries to provide the information required for the preparation of the Information Document in a timely manner.
- (iv) If, in relation to a Transaction of Greater Importance, the Company is also required to prepare an information document pursuant to Article 70, paragraphs 4 and 5, and Article 71 of the Rules for Issuers, it may publish a single Information Document containing the information required by point (i) above and the foregoing Articles 70 and 71 of the Rules for Issuers.

16.1.2 Methods and terms of publication of the Information Document.

Without prejudice to Article 17 of the MAR, the Information Document shall be made available to the public at the Company's office and according to the methods indicated in Part III, Title II, Chapter I of the Rules for Issuers:

- (i) within 7 (seven) days of the approval of the Transaction;

- (ii) where the competent body resolves to present a contract proposal, from the moment the contract, preliminary or otherwise, is concluded on the basis of applicable provisions;
- (iii) in the event the Transaction falls within the purview of the Shareholders' Meeting or has to be approved by it pursuant to Article 9, within 7 (seven) days of the approval of the proposal to be submitted to the Shareholders' Meeting;
- (iv) if the threshold is exceeded as a result of a Cumulation of Transactions, (I) within 15 (fifteen) days of the approval of the Transaction or the conclusion of the contract that resulted in the significance threshold being exceeded, or (II) where the Transactions that result in the significance threshold being exceeded are undertaken by Subsidiaries, within 15 (fifteen) days of when the Company is informed of the approval of the Transaction or the conclusion of the contract that resulted in the significance threshold being exceeded;
- (v) in the case set out in point (iv) of Article 16.1.1 above, in the shorter of the periods provided for in each of the applicable provisions.

16.1.3 Opinions of the Independent Directors and independent experts.

- (i) Within the terms indicated in Article 16.1.2 above, the Company shall make available to the public, appended to the Information Document or on its website, any Opinions of the Independent Directors and any opinions of the independent experts chosen pursuant to Article 6.2 and those issued by experts qualified as independent on whom the Board of Directors has relied.
- (ii) With regard to the opinions of the independent experts set out in point (i) above, the Company may publish only the elements indicated in Annex 4, with the reasons for this decision.

16.1.4 Communication to Consob.

Concurrently with public disclosure, the Company shall send Consob the Information Document and the opinions indicated in Article 16.1.3 above, by connection with the authorised storage mechanism pursuant to Article 65-*septies*, paragraph 3, of the Rules for Issuers.

16.2 **Periodic reporting**

16.2.1 In the interim and the annual Directors' Report on Operations, the Bank shall provide information on:

- (i) each and every Transaction of Greater Importance undertaken during the reporting period;

- (ii) each and every other Related Party and Connected Party Transaction undertaken during the reporting period and significantly impacting the Bank's financial position or profit or loss results;
- (iii) any change or development in Transactions with Consob Related Parties and/or Connected Parties described in the last annual financial statements that had a significant effect on the Bank's financial position or profit or loss results during the reporting period.

16.2.2 In the interim and annual Directors' Report on Operations, within the context of the information required in this Article 16.2, the Bank shall indicate which of the transactions subject to disclosure have been concluded in application of the exclusion laid down in Article 12.1.1(vii) (Regular Transactions concluded at Market or Standard Equivalent Conditions).

16.3 **Public disclosure pursuant to Article 17 of the MAR**

Where a transaction with Related Parties or Connected Parties is disclosed by the Company by publishing a press release pursuant to Article 17 of the MAR, this press release shall contain, in addition to the other information to be published pursuant to the aforementioned Article, at least the following information:

- (i) a description of the Transaction;
- (ii) an indication that the counterparty to the Transaction is a Related Party or Connected Party and a description of the nature of the relationship;
- (iii) the name or appellation of the counterparty to the Transaction;
- (iv) whether the Transaction exceeds the significance threshold identified for the purposes of this Procedure and an indication of any subsequent publication of an Information Document pursuant to Article 16.1.1;
- (v) the procedure that has been or is to be followed for the approval of the Transaction and, in particular, whether the Bank has availed itself of a case of exclusion provided for pursuant to Article 10 of this Procedure;
- (vi) any approval of the Transaction despite a negative opinion from the Independent Directors or, in any event, in the case of a Negative Opinion.

16.4 **Disclosure obligations pursuant to Circular No. 285**

Risk Assets in relation to Connected Parties shall be reported to the Bank of Italy — on an individual and consolidated basis — with the frequency and level of detail indicated in the pertinent supervisory reporting provisions.

17. INTERNAL CONTROLS

The Bank has adopted control processes meant for ensuring that the risks assumed in relation to Connected Parties are properly measured and managed and verifying that internal policies and procedures have been properly designed and effectively applied.

Towards this end:

- (i) the Risk and Capital Adequacy Department is responsible for verifying risks — including market risks — underlying dealings with Connected Parties, and the observance of the limits assigned to the various departments and operating units, as well as for checking their activities for consistency with the various risk appetite levels set out within the Risk Appetite Framework;
- (ii) the Compliance Service verifies the existence and reliability, on an ongoing basis, of procedures and systems suited to ensuring observance of all regulatory obligations, as well as those established by internal rules and procedures; if necessary, it also supports and collaborates with the Proposing Function and the Relevant Function in preparing the preliminary documentation to be submitted to the Committee and the relevant decision-making body;
- (iii) the Internal Audit Department verifies compliance with internal policies, reports any anomalies in a timely manner to the control body and the Bank's top corporate bodies and reports periodically to company bodies concerning the total exposure of the Bank or Banking Group to risks arising from transactions with Connected Parties or from other conflicts of interest; where appropriate, it suggests revisions of internal policies and the organisational and control structures deemed suited to enhancing oversight of such risks;
- (iv) the Committee plays a role of evaluation, support and proposition in the area of the organisation and performance of internal controls on the overall activity of assuming and managing risks in relation to Connected Parties, as well as a general review of the consistency of activity with strategic and managerial guidelines.

ANNEX 1**NATURAL PERSON QUESTIONNAIRE TEMPLATE**

concerning the procedure for Transactions with Related Parties and Connected Parties of Banca Generali S.p.A.

Identification of Consob Related Parties and Connected Parties of Banca Generali S.p.A. pursuant to the “Procedure for Related Party and Connected Party Transactions” approved by the Board of Directors on 22 June 2021.

Personal data and date of compilation of the Questionnaire

Name and Surname	
Date and place of birth	
Address (domicile)	
Tax code	
Office held	
Date of compilation of the questionnaire	

*1. – Close Relatives***1) the spouse ⁽¹³⁾ or domestic partner**

Personal data	Domicile	Tax code

2) his/her children

Personal data	Domicile	Tax code

3) his/her dependants

Personal data	Domicile	Tax code

4) the children of the spouse or domestic partner

¹³ Including separated spouses.

Personal data	Domicile	Tax code

5) dependants of the spouse or domestic partner

Personal data	Domicile	Tax code

6) his/her relatives up to the second degree¹⁴

Personal data	Domicile	Tax code

7) other close relatives who may influence you or be influenced by you in relations with Banca Generali S.p.A.

Personal data	Domicile	Tax code

¹⁴ “Relatives up to the second degree” include: (i) father/mother – children; (ii) grandchildren (children of a child) – brother/sister

2.A - Intermediated relationships

Are there Italian or foreign entities in which you directly or indirectly exercise 1) *control* or *joint control* or 2) a *significant influence*, or 3) Italian or foreign entities in which you are able, even in the absence of a significant equity investment, to appoint, on your own, one or more members of the management or strategic supervision body (including on the basis of arrangements or clauses of the Articles of Association)?

YES NO

If the answer is “YES”, complete the following table:

Company name of the entity	Registered office	Tax code/VAT No.	Nature of the Relationship*	Additional Information

In the box “**Nature of the Relationship**”, specify the type of relationship, indicating:

- No. **1** for a relationship of *control* or *joint control*;
- No. **2** for a relationship of *significant influence*;
- No. **3** where you, even without a significant equity investment, are able, on your own, to appoint one or more members of the management or strategic supervision body (including on the basis of arrangements or clauses of the Articles of Association).

With reference to point **3** only, in the Additional Information box, (i) indicate the number of members of the management and/or strategic supervision body that you are able to appoint on your own and (ii) provide additional information regarding the clause of the Articles of Association or provision of the shareholders' agreement entitling you to appoint said members of the management and/or strategic supervision body.

2.B - Intermediated relationships

Are there Italian or foreign entities in which your close relatives directly or indirectly exercise 1) *control* or *joint control* or 2) a *significant influence*, or 3) Italian or foreign entities in which your *close relatives* are able, even in the absence of a significant equity investment, to appoint, on their own, one or more members of the management or strategic supervision body (including on the basis of arrangements or clauses of the Articles of Association)?

YES NO

If the answer is “YES”, complete the following table:

Name and surname of the *close relative*:**

Company name of the entity	Registered office	Tax code/VAT No.	Nature of the Relationship*	Additional Information

In the box “**Nature of the Relationship**”, specify the type of relationship, indicating:

- No. **1** for a relationship of *control* or *joint control*;
- No. **2** for a relationship of *significant influence*;
- No. **3** where one of your *close relatives*, even without a significant equity investment, is able, on his or her own, to appoint one or more members of the management or strategic supervision body (including on the basis of arrangements or clauses of the Articles of Association).

With reference to point **3** only, in the Additional Information box, (i) indicate the number of members of the management and/or strategic supervision body that one of your close relatives is able to appoint on his or her own and (ii) provide additional information regarding the clause of the Articles of Association or provision of the shareholders’ agreement entitling one of your close relatives to appoint said members of the management and/or strategic supervision body.

** If multiple *Close Relatives* are in the situation set out in point (2.B), replicate the relevant table for each *Close Relative*.

LEGAL PERSON QUESTIONNAIRE TEMPLATE

concerning the procedure for Transactions with Related Parties and Connected Parties of Banca Generali S.p.A.

Identification of Consob Related Parties and Connected Parties of Banca Generali S.p.A. pursuant to the “Procedure for Related Party and Connected Party Transactions” approved by the Board of Directors on 22 June 2021.

Identifying data and date of compilation of the questionnaire

Company name of the entity	
Registered office	
Tax code/VAT No.	
Percentage of interest held in Banca Generali S.p.A.	
Date of compilation of the questionnaire	

1. - Intermediated relationships

Are there Italian or foreign entities in which **the entity** directly or indirectly exercises 1) *control* or *joint control* or 2) a *significant influence*, or 3) Italian or foreign entities in which **the entity** is able, even in the absence of a significant equity investment, to appoint, on its own, one or more members of the management or strategic supervision body (including on the basis of arrangements or clauses of the Articles of Association)?

Are there companies that control **the entity**?

YES

NO

If the answer is “**YES**”, complete the following table:

Company name of the entity	Registered office	Tax code/VAT No.	Nature of the Relationship*	Additional Information

In the box “**Nature of the Relationship**”, specify the type of relationship, indicating:

- No. **1** for a relationship of *control* or *joint control*;
- No. **2** for a relationship of *significant influence*;
- No. **3** where **the entity**, even without a significant equity investment, is able, on its own, to appoint one or more members of the management or strategic supervision body (including on the basis of arrangements or clauses of the Articles of Association).

With reference to point **3** only, in the Additional Information box, (i) indicate the number of members of the management and/or strategic supervision body that the entity is able to appoint on its own and (ii) provide additional information regarding the clause of the Articles of Association or provision of the shareholders' agreement entitling the entity to appoint said members of the management and/or strategic supervision body.

NOTES

The current definitions of “control”, “joint control” and “significant influence”, as identified pursuant to the Procedure for Transactions with Related Party and Connected Party Transactions of Banca Generali S.p.A. are set out below.

1. Definition of “Control”

1.1 IFRS 10, paragraph 6

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:

- a) power over the investee (see paragraphs 10–14 of IFRS 10);*
- b) exposure, or rights, to variable returns from its involvement with*
- c) the investee (see paragraphs 15 and 16 of IFRS 10); and*
- d) the ability to use its power over the investee to affect the amount of the investor’s returns (see paragraphs 17 and 18 of IFRS 10).*

1.2 Article 23 of TUB

The cases set out in Article 23 of TUB are included in the definition of control. The text of Article 23 of TUB is reproduced below.

“Control exists, including with regard to parties other than companies, in the cases set out in Article 2359, paragraphs 1 and 2, of the Italian Civil Code and in the presence of arrangements or clauses of the Articles of Association that govern or have as their effect the power to perform management and coordination activities.

Control is considered to exist in the form of dominant influence, unless otherwise proved, where one of the following situations exists:

- a) existence of a party who, on the basis of agreements, is entitled to appoint or revoke the majority of the directors or the supervisory body or holds, on his/her own, the majority of the votes for the purposes of resolutions relating to the subjects set out in Articles 2364 and 2364-bis of the Italian Civil Code;*
- b) possession of equity investments suited to permitting the appointment or revocation of the majority of the members of the Board of Directors or supervisory body;*
- c) existence of relationships, including between shareholders, of a financial and organisational nature suited to achieving one of the following effects:*
 - a. the transmission of profits or losses;*

- b. the coordination of the management of the company with that of other companies to pursue a common aim;*
- c. the attribution of powers in excess of those arising from the equity investments held;*
- d. the attribution to parties other than those with standing on the basis of the equity investments held of powers in selecting directors or members of the supervisory body or executives of companies;*
- d) subjection to common management, on the basis of the composition of the administrative bodies or other concordant elements.*

2. Definition of “Joint Control”IFRS 11, paragraph 7

“Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.”

2.2 Circular No. 285

Pursuant to the provisions of Circular No. 285, the definition of parties that exercise joint control also includes other parties able to condition the management of the enterprise on the basis of the equity investments they hold, arrangements entered into in any form or statutory clauses governing or resulting in the ability to exercise control.

3. Definition of “Significant Influence”IAS 28, definitions, paragraphs 5 and 6

“Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

If an entity holds, directly or indirectly (e.g., through subsidiaries), 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the entity holds, directly or indirectly (e.g., through subsidiaries), less than 20 per cent of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an entity from having significant influence.

The existence of significant influence by an entity is usually evidenced in one or more of the following ways:

- (a) representation on the board of directors or equivalent governing body of the investee;*
- (b) participation in policy-making processes, including participation in*

decisions about dividends or other distributions;

(c) material transactions between the entity and its investee;

(d) interchange of managerial personnel; or

(e) provision of essential technical information.”.

3.2 Circular No. 285

The circumstances laid down in Circular No. 285 are also relevant for the purposes of establishing a significant influence.

A significant influence is presumed in cases of possession of a direct or indirect equity investment equal to or greater than 20% of capital or voting rights in the ordinary general meeting or other equivalent body of the investee, or equal to or greater than 10% in cases of companies with shares listed on regulated markets.

In cases of possession of equity investments below the above thresholds, specific inquiries must be conducted in order to determine whether significant influence exists, referring, at least, to the following indicators and taking account of all other relevant circumstances:

- (I) representation within the body of the investee charged with the management function or with the strategic supervision function; the mere fact of selecting the component representing the minority pursuant to the rules governing issuers of shares listed on regulated markets does not, in and of itself, constitute an indicator of significant influence;*
- (ii) participation in an enterprise’s decisions of a strategic nature, particularly to the extent decisive voting rights are held in the decisions of the general meeting called to examine the financial reporting, the allocation of profits and the distribution of reserves, without qualifying as a situation of joint control;*
- (iii) the existence of significant transactions — understood to be “Transactions of Greater Importance” as defined in Part III, Chapter 11, Section I of Circular No. 285 — the exchange of management personnel or the provision of essential technical information.*